

Krechevsky may be relevant to the Commission's inquiry. For example, that record (as noted above) establishes that supposedly non-voting individuals were signatories on ACCLP's checking accounts. For the Commission's purposes, the mere authority to sign a limited partnership's checks -- whether or not that authority was ever exercised -- has been deemed to undermine the bona fides of a claimed limited partnership. See Byrd, supra ^{8/}. Cf. Religious Broadcasting Network, 2 FCC Rcd 6561, 6566 (Rev. Bd. 1987). A fortiori, the exercise of such authority is even more conclusive of the lack of a bona fide limited partnership. Here, the evidence establishes that supposedly passive non-minority principals did indeed write checks on ACCLP's accounts.

16. Another focus of the Commission's analysis of limited partnerships is the precise nature and extent of the supposedly general partner's actual interest in the partnership. That is, the Commission will look behind the facile claims that a limited partnership might make about its "ownership" and delve into the actual rights of the parties. See, e.g., Praise Broadcasting Network, Inc., 8 FCC Rcd 5457, 5459, n.4 (Rev. Bd. 1993).

17. For example, where a partnership agreement required

^{8/} In Byrd, the Commission observed that the fact that all parties to a supposedly limited partnership knew that a supposedly passive principal had check-signing authority was "prima facie proof that they intended him to have this prerogative and contemplated his exercising it under some possible contingency, which is inconsistent with the representation that [the limited partner] was merely a passive investor." 8 FCC Rcd at 7126, ¶13 (emphasis added).

that the general partner obtain consent of the limited partners with respect to any and all borrowing, the Commission concluded that the limited partnership was not bona fide, since the general partner was not sufficiently insulated from influence by the supposedly passive limited partners. See, e.g., Atlantic City Community Broadcasting, Inc., 8 FCC Rcd at 4520-21. Here, the ACCLP agreement (at Section 4.2) required limited partner consent before the general partner could mortgage or pledge the partnership's assets. See Attachment E.

18. Similarly, in Praise, the Review Board found the bona fides of a limited partnership in question where, inter alia, a supposedly controlling general partner holding a 20% equity interest in the overall limited partnership would receive only 5% of the partnership's profits and losses until the limited partner's capital contribution was repaid with interest. Here, while Mr. Ramirez was consistently held out as holding a 21% equity interest in ACCLP, the record establishes that, by amendment of the ACCLP partnership agreement in late 1985, he was entitled to less than 1% of any profits, losses or distributions until the limited partners' contributions were repaid with the equivalent of interest. See Ramirez Petition, Exhibit I, p. 8. ^{2/} Clearly, the facts here are far more aggravated than

^{2/} As far as SBH has been able to determine thus far in this proceeding, ACCLP did not submit a copy of the December, 1985 amendment to its partnership agreement to the Commission or to the Court (where the matter was pending at that time), or otherwise advise the Commission or the Court of the amendment when it was adopted. Indeed, it does not appear that Astroline
(continued...)

were the facts in Praise. ^{10/}

19. The question of the actual level of Mr. Ramirez's ownership interest in ACCLP is also a matter which Judge Krechevsky left unresolved. In his Petition, Mr. Ramirez boldly claims that the Bankruptcy Court "extensively considered the issue of whether [he] retained his 21% ownership interest". Ramirez Petition at 12. But Mr. Ramirez's ensuing elaboration on that claim contains no citations whatsoever to Judge Krechevsky's decision. And, indeed, review of that decision does not disclose any discussion of the question of Mr. Ramirez's quantitative interest, because that question was fundamentally irrelevant to the bankruptcy proceeding.

20. Again, the focus of Judge Krechevsky's concern was whether the supposedly limited partners' actual "participation in the control of [ACCLP] was substantially the same as the exercise of the powers of a general partner." Astroline, 188 B.R. at 103. Given this focus, the precise quantification of Mr. Ramirez's interest was irrelevant to Judge Krechevsky.

21. That is not the case here, however. ACCLP claimed for

^{2/} (...continued)

ever disclosed the precise terms of that amendment -- which reduced Mr. Ramirez's share of profits, losses and distributions to significantly less than 1% -- to the Commission or the Courts.

^{10/} See also Saltaire Communications, Inc., 8 FCC Rcd 6284 (1993). There, in a corporate setting, the Commission concurred with the Review Board that, where the supposedly passive investors' "rights to earnings and assets leaves the voting stockholder with little of value to offer as an inducement for capital contributions from new investors", the "passive" investors had power to influence the applicant's affairs.

some six years -- before the Commission, the Court of Appeals and the Supreme Court -- that it complied with the Commission's minority distress sale policy. And in order to comply with that policy, at least 20% of ACCLP had to be owned by a minority.

Minority Ownership of Broadcasting, supra. Thus, the quantification of Mr. Ramirez's interest is a factor of major independent significance here before the Commission, but not before the bankruptcy court. ^{11/}

22. As noted above, the evidence of record demonstrates that ACCLP reported to the Internal Revenue Service from 1985-1988 that Mr. Ramirez's ownership interest in ACCLP was less than 1%. See Attachment A. In his Petition, Mr. Ramirez attempts to sidestep this by claiming that the "IRS returns . . . simply reflected the tax allocation" of profits, losses and cash flow which had been recommended by ACCLP's accountants. Ramirez Petition at 13.

23. The trouble with that is that the IRS forms themselves ask three separate and distinct questions: (1) what is the individual partner's percentage of profit sharing; (2) what is the individual partner's percentage of loss sharing; and (3) what is the individual partner's ownership. Id. If Mr. Ramirez's explanation were accurate, then the IRS forms as filed would be expected to reflect approximately 0.75% in response to the first

^{11/} Indeed, even if Judge Krechevsky's decision were deemed, arguendo, to dispose of the question of the bona fides of ACCLP's partnership structure (and SBH does not concede that point), the question of ACCLP's compliance with the Commission-imposed 20% ownership requirement was not addressed by Judge Krechevsky.

two questions (i.e., the "tax allocation" of profits, losses, etc. supposedly suggested by the accountant) and 21% in response to the third. As the Presiding Judge will note, that is not how ACCLP responded to the third question.

24. Thus, the question of the precise quantification of Mr. Ramirez's interest is of obvious importance here, it was not of any particular importance in the bankruptcy proceeding, and it has not previously been resolved.

25. A further factor separating the bankruptcy proceeding from the instant Commission proceeding is the fact that the Commission's treatment of limited partnerships is based not on the mere metes and bounds of civil partnership law, but rather on broader public interest considerations which necessitate broader inquiry. Thus, for example, the Commission's consideration of the bona fides of limited partnership arrangements will look beyond the boundaries of the written partnership agreement and will consider, instead, whether the business relationship in question is, e.g., "irreconcilable with sound business judgment", Royce International Broadcasting, 5 FCC Rcd 7063, 7065, n. 10 (1990) and Evergreen Broadcasting Company, 6 FCC Rcd 5599, 5602, ¶20 (1991); "far-fetched", Mableton Broadcasting Company, Inc., 5 FCC Rcd 6314, 6318, ¶13 (Rev. Bd. 1990); or "unreal", Byrd, supra, 7 FCC Rcd at 7980, ¶13. ^{12/}

^{12/} See also, e.g., Moore Broadcast Industries, Inc., 2 FCC Rcd 2754, 2761-62, 2766 (Frysiak, ALJ 1987). There, as here, the partnership agreement was drafted by the limited partners' counsel. There, the supposed general partner was not required to
(continued...)

26. Comparison of these cases with the facts which are already established relative to ACCLP strongly support the conclusion that the ACCLP structure was, in fact, an "unreal", "far-fetched" design completely inconsistent with "sound business judgment". For example, in Evergreen, the supposedly passive investor had no previous relationship with the general partner -- just as the non-minority ACCLP investors had never met Mr. Ramirez until approximately two hours before they offered him a controlling general partnership interest in ACCLP. Also in Evergreen, the Commission found it incredible that any experienced investor would entrust exclusive managerial control to a person who would be making at most a nominal investment (\$100) in the enterprise; here, ACCLP would have the Commission believe that the non-minority ACCLP principals entrusted a \$20,000,000+ enterprise exclusively to Mr. Ramirez, whose personal investment was only \$210. The Commission in Evergreen refused to believe that, under these circumstances, the supposedly passive investor had really "given away the store".

27. Similarly, for another example, in Mableton, a limited

^{12/} (...continued)

make any capital contribution, while the limited partners were obligated to pay up to \$100,000; here, the supposed general partner's total capital contribution amounted to \$210, while the limited partners' contributions exceeded \$20,000,000. There, as here, the general partner submitted bills to the limited partners for payment. There, as here, the partnership agreement imposed no constraints on communications between general and limited partners concerning station operations. There, as here, the general and limited partners did indeed discuss station operations. In Moore, the Presiding Judge correctly concluded that the partnership did not appear to be a bona fide limited partnership.

partnership was rejected where the general partner was a stranger to the limited partner until shortly before filing, where the basic arrangements had been made by the limited partners before the general partner joined, and where the general partner would be making no investment in the enterprise in return for her supposed 20% ownership interest. The Review Board compared this situation with Metroplex Communications, Inc., 4 FCC Rcd 8149 (Rev. Bd. 1989), aff'd, 5 FCC Rcd 5610 (1990), where the limited partners had "given away" a mere 4% equity share under similar circumstances. 5 FCC Rcd at 6318, ¶13. The Commission in Metroplex found that proposal "unworthy of credence". The Board, in Mableton, found the proposal to give a general partner a 20% equity share "a fortiori, more far-fetched". Id. In the instant case, Mr. Ramirez was supposedly receiving a 21% controlling interest -- putting it comfortably in the "more far-fetched" range.

28. Of course, none of this substantial Commission authority was addressed in any way in Judge Krechevsky's decision -- because it was not material to the issue before the bankruptcy court. In view of all of the foregoing, it is crystal clear that, contrary to Mr. Ramirez's wishful thinking, the matters of concern to the Commission have not been resolved. Accordingly, the HDO properly designated those matters for hearing, and no reason exists for interrupting that hearing.

29. In a footnote, Mr. Ramirez seems to recognize his problem here. At page 14 of his Petition, he asserts that,

during the period May, 1984-December, 1984, the Commission's standard for evaluating the bona fides of a limited partnership was essentially the same as governing state standards. But in Footnote 10 to that assertion, Mr. Ramirez acknowledges that any such overlap of standards was eliminated by the Commission in June, 1985. Presumably, Mr. Ramirez intends to argue that, having gotten in under the wire with a limited partnership which plainly does not comply with the 1985 standards, ACCLP did not need to worry about any subsequent changes in Commission standards.

30. But that approach is contrary to both the law and the facts. In Family Media, the Review Board made clear that, even where the supposed limited partnership was created before the adoption of the Commission's 1985 standards, those standards -- and not the Uniform Limited Partnership Act standards -- provided the applicable criteria. Family Media, 59 R.R.2d at 168, ¶6. The Commission itself has taken the same position in Atlantic City Community Broadcasting, supra, 8 FCC Rcd at 4522, n. 10 (limited partnership deemed not to qualify as "limited" under Commission policies because it did not provide adequate insulation between limited and general partners, even though the partnership agreement "complied with the insulation standards in existence when the agreement was signed. "). Thus, Mr. Ramirez and ACCLP cannot avoid those criteria.

31. And from a factual perspective, Mr. Ramirez's argument ignores certain important considerations. For example, while the

original ACCLP assignment application was filed in 1984, that application was still pending through June, 1990. Even though the Commission acted on the application in December, 1984, SBH filed a timely appeal of that action, and that appeal was pending at least through June, 1990. Thus, the action did not become final during that period, and the application was "pending" for purposes of the Commission's rules. See Section 1.65(a) of the Commission's rules. Under these circumstances, ACCLP's application was plainly subject to the standards announced in 1985 with respect to limited partnerships.

32. This is especially true for two separate reasons. First, the bona fides of the ACCLP partnership structure were at all times -- from 1984 to 1990 -- in issue before the Commission and the Courts. SBH specifically, expressly and repeatedly challenged that structure. And ACCLP specifically, expressly and repeatedly claimed that it was a bona fide limited partnership within the meaning of the Commission's rules and policies. Note that ACCLP never suggested that it was bona fide only insofar as the Commission's policies prior to 1985 might be concerned; rather, ACCLP simply asserted that it was bona fide. In view of its constant insistence that it was bona fide long after 1985, Mr. Ramirez's attempt to rely on an exceedingly narrow reading of the applicable standards cannot be credited.

33. This is especially so because in 1988, ACCLP -- on advice of ACCLP's communications counsel based on the applicable Commission limited partnership standards -- did attempt to amend

its structure and operations to cure some of the more obvious defects. See Attachment F. ^{13/} That is, ACCLP seemingly acknowledged, by its conduct, that it could not legitimately rely on the claim that, if its structure complied with Uniform Limited Partnership Act standards, it need do no more. Because of this effective admission, Mr. Ramirez's current, self-serving claim can and must be rejected.

34. In summary, then, the Commission's assessment of the bona fides of a limited partnership entails at least two separate inquiries: first, whether the minority general partner owns at least a 20% interest in the partnership, and second, whether the supposedly passive, limited, non-minority principals have any potential (whether or not that potential is realized) for controlling the partnership notwithstanding their supposedly "passive" role. By contrast, the sole focus of Judge Krechevsky's inquiry in the bankruptcy proceeding was whether any of the supposedly passive principals had in fact actually engaged in conduct "substantially the same" as a general partner. Clearly, Judge Krechevsky's inquiry did not need to address --

^{13/} Attachment F is a memorandum, dated November 10, 1988, from Baker & Hostetler ("B&H") to ACCLP. At that time B&H was (and had been since at least 1986) ACCLP's communications counsel. The B&H memorandum to ACCLP clearly and unequivocally sets forth the Commission's absolute insistence that "limited" partners be "passive" (see Attachment F hereto at 3, emphasis in original). While the memorandum cites a 1988 Review Board decision (Doylan Forney, 3 FCC Rcd 6330 (Rev. Bd. 1988), mis-cited in the memorandum as Stanley Group Broadcasting, Inc., FCC 88R-56), the fact is that the standard referenced in that memorandum had been clearly and repeatedly articulated since at least 1985. See cases cited in the text, supra.

and did not in fact address -- the questions which are at issue in the instant hearing. As a result, Mr. Ramirez's claim that those questions have already been litigated and resolved is wrong and must be rejected. ^{14/}

35. Mr. Ramirez also suggests that the designation of this proceeding is somehow inconsistent with the Commission's decision in MobileMedia Corporation, FCC 97-197, released June 6, 1997 to the extent that, in the HDO herein, the Commission declined to consider any Second Thursday relief. But the Commission's decision not to consider such relief is fully explained in the HDO, and is not in any event subject to reconsideration or review by the Presiding Judge. Moreover, the unique circumstances presented by this case -- including, in particular, the fact that ACCLP's apparent misrepresentations undermined the integrity not only of the Commission's administrative processes, but also of the judicial processes of the Court of Appeals and the Supreme Court -- plainly support the HDO in this respect.

36. Finally, with respect to Mr. Ramirez's request for a stay, SBH notes that Mr. Ramirez's showing falls far short of the showing required for such extraordinary relief. Nevertheless, SBH does believe that, in light of the pendency of Mr. Ramirez's request and the volume of materials already produced during discovery thus far, it would be appropriate for the Presiding

^{14/} For the same reason, Mr. Ramirez's argument concerning Article III courts and the full faith and credit clause are inapt here: the instant hearing does not entail any inappropriate "review" of Judge Krechevsky's decision.

Judge to extend all procedural dates in this case for 60 days from the latter of (a) the currently established procedural dates or (b) the date on which Mr. Ramirez's Petition is finally resolved. For reasons set forth in a Petition for Modification of Procedural Dates being filed simultaneously herewith, SBH is proposing such an extension in order to facilitate the completion of discovery and the preparation of exhibits for presentation at trial.

Respectfully submitted,


/s/ ~~Harry F. Cole~~
Harry F. Cole

Bechtel & Cole, Chartered
1901 L Street, N.W. - Suite 250
Washington, D.C. 20036
(202) 833-4190

Counsel for Alan Shurberg d/b/a
Shurberg Broadcasting of Hartford

August 5, 1997

ATTACHMENT A

Schedule K-1, IRS Form 1065
for Richard Ramirez as a partner
in Astroline Communications Company Limited Partnership
for the years 1985 and 1987

**SCHEDULE K-1
Form 1065**

Partner's Share of Income, Credits, Deductions, etc.

OMB No. 1545-0046

1985

For calendar year 1985 or fiscal year beginning _____, 1985, and ending _____, 19__

Department of the Treasury
Internal Revenue Service

Partner's identifying number ▶ **108-48-3484**

Partnership's identifying number ▶ **04-2835780**

Partner's name, address, and ZIP code

Partnership's name, address, and ZIP code

RICHARD P. RAMIREZ

**ASTROLINE COMMUNICATIONS COMPANY
LIMITED PARTNERSHIP
18 GARDEN STREET**

**C/O ASTROLINE COMMUNICATIONS CO.
LIMITED PARTNERSHIP
18 GARDEN ST HARTFORD, CT 06105**

HARTFORD, CT 06105

A Is partner a general partner (see page 3 of instructions for Form 1065)? ☒ Yes ☐ No

B Partner's share of liabilities (see page 10 of instructions for Form 1065):
Nonrecourse **0**
Other **\$ 941,735.21**

C What type of entity is this partner? ▶ **INDIVIDUAL**

D Enter partner's percentage of:

Profit sharing **21.0000 % 0.7500 %**

Loss sharing **21.0000 % 0.7500 %**

Ownership of capital **21.0000 % 0.7500 %**

E IRS Center where partnership filed return ▶ **ANDOVER, MA**

F Tax Shelter Registration Number ▶

Reconciliation of partner's capital account	(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Ordinary income (loss) from line 1 below	(d) Income not included in column (c) plus nonrecourse income	(e) Losses not included in column (c) plus unallowable deductions	(f) Withdrawals and distributions	(g) Capital account at end of year
	-45153		-37061		200		-82414

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss)	-37061	Sch. E, Part II, col. (e) or (f)
	2 Guaranteed payments		Sch. E, Part II, column (f)
	3 Dividends qualifying for exclusion		Sch. B, Part II, line 4
	4 Net short-term capital gain (loss)		Sch. D, line 4, col. (f) or (g)
	5 Net long-term capital gain (loss)		Sch. D, line 12, col. (f) or (g)
	6 Net gain (loss) under section 1231 (other than due to casualty or theft)		Form 4797, line 1
	7 Other (attach schedule)		(Enter on applicable lines of your return)
Deductions	8 Charitable contributions		See Form 1040 instructions
	9 Expense deduction for recovery property (section 179)		(See Partner's instructions for Schedule E-1 (Form 1065))
	10 Other (attach schedule)		(Enter on applicable lines of your return)
Credits	11 Credit for income tax withheld		See Form 1040 instructions, line 57 for Backup withholding
	12 Other (attach schedule)		(Enter on applicable lines of your return)
Self-employment	13 a Net earnings (loss) from self-employment		Sch. SE, Part I
	b Gross farming or fishing income		(See Partner's instructions for Schedule E-1 (Form 1065))
	c Gross nonfarm income		
Tax Preference Items	14 a Accelerated depreciation on nonrecovery real property or 15-year or 18-year real property		Form 6251, line 4c
	b Accelerated depreciation on leased personal property or leased recovery property other than 15-year or 18-year real property		Form 6251, line 4d
	c Depletion (other than oil and gas)		Form 6251, line 4i
	d (1) Gross income from oil, gas, and geothermal properties		See Form 6251 instructions
	(2) Deductions allocable to oil, gas, and geothermal properties		See Form 6251 instructions
	e (1) Qualified investment income included in Schedule K-1, line 1		(See Partner's instructions for Schedule E-1 (Form 1065))
	(2) Qualified investment expenses included in Schedule K-1, line 1		
	f Other (attach schedule)		

For Paperwork Reduction Act Notice, see Form 1065 instructions.

Schedule K-1 (Form 1065) 1985

I certify that this is a true copy.

Attest: *Maria Coluth*
Assistant Clerk

RC 002524



C18 002564

Partner's Share of Income, Credits, Deductions, ETC.

For calendar year 1987 or fiscal year

beginning 1987, and ending 1987

1987

Form 1065
U.S. Department of the Treasury
Internal Revenue Service

Partner's identifying number ▶ 108-48-3484

Partner's name, address, and ZIP code
CHARL P. RAMIREZ

0 ASTROLINE COMMUNICATIONS CO.
LIMITED PARTNERSHIP
GARDEN ST HARTFORD, CT 06105

Partnership's identifying number ▶ 04-2835780

Partnership's name, address, and Zip code
ASTROLINE COMMUNICATIONS COMPANY
LIMITED PARTNERSHIP
18 GARDEN STREET
HARTFORD, CT 06105

1) Is partner a general partner? ☒ Yes ☐ No
If "yes" to Question A(1):

2) Did this partner materially participate in the trade or business activity(ies) of the partnership? (See page 12 of the Form 1065 Instructions. Leave blank if no trade or business activities.) ☒ Yes ☐ No

3) Did this partner actively participate in the rental real estate activity(ies) of the partnership? (See page 13 of the Form 1065 Instructions. Leave blank if no rental real estate activities.) ☐ Yes ☐ No

Partner's share of liabilities

Nonrecourse \$

Other \$ 15,532,225

What type of entity is this partner? ▶ INDIVIDUAL

D Enter partner's percentage of:
Profit sharing % 0.7778
Loss sharing % 0.7778
Ownership of capital % 0.7778

E IRS Center where partnership filed return ▶ ANDOVER, MA

F Tax Shelter Registration Number ▶

G(1) Did the partner's ownership interest in the partnership increase after Oct. 22, 1986? ☐ Yes ☐ No
If yes, attach statement (See page 13 of the Form 1065 Instructions.)

(2) Did the partnership start or acquire a new activity after Oct. 22, 1986? ☐ Yes ☐ No
If yes, attach statement (See page 14 of the Form 1065 Instructions.)

H Check here ☐ if this Schedule K-1 is for a short tax year required by section 706(b).

Reconciliation of partner's capital account

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Income (loss) from lines 1, 2, 3, & 4 below	(d) Income not included in column (c), plus nonexempt income	(e) Losses not included in column (c), plus unallowable deductions	(f) Withdrawals and distributions	(g) Capital account at end of year
-142,804		-53,311		17,710		-213,82

Caution: Refer to attached Partner's Instructions for Schedule K-1 (Form 1065) before entering information from this schedule on your tax return.

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on
Income (Loss)	1 Ordinary income (loss) from trade or business activity(ies)	-53,311	(See Partner's Instructions for Schedule K-1 (Form 1065))
	2 Income or loss from rental real estate activity(ies)		
	3 Income or loss from other rental activity(ies)		
	4 Portfolio income (loss):		
	a Interest		Sch. B, Part I, line 2
	b Dividends		Sch. B, Part II, line 4
	c Royalties		Sch. E, Part I, line 5
	d Net short-term capital gain (loss)		Sch. D, line 5, col. (f) or (g)
	e Net long-term capital gain (loss)		Sch. D, line 12, col. (f) or (g)
	f Other portfolio income (loss) (attach sch.)		(Enter on applicable lines of your return)
	5 Guaranteed payments		(See Partner's Instructions for Schedule K-1 (Form 1065))
Deductions	6 Net gain (loss) under section 1231 (other than due to casualty or theft)		(Enter on applicable lines of your return)
	7 Other (attach schedule)		
	8 Charitable contributions		See Form 1040 Instructions
	9 Expense deduction for recovery property (section 179)		(See Partner's Instructions for Schedule K-1 (Form 1065))
Credits	10 Deductions related to portfolio income		
	11 Other (attach schedule)		
	12a Credit for income tax withheld		See Form 1040 Instructions
	b Low-income housing credit		Form 8586, line 8
	c Qualified rehabilitation expenditures related to rental real estate activity(ies) (attach schedule)		(See Partner's Instructions for Schedule K-1 (Form 1065))
	d Credit(s) related to rental real estate activity(ies) other than 12b and 12c (attach schedule)		
	e Credit(s) related to rental activity(ies) other than 12b, 12c, and 12d (attach schedule)		
	13 Other credits (attach schedule)		

For Paperwork Reduction Act Notice, see Form 1065 Instructions.

Schedule K-1 (Form 1065) 1987

ATTACHMENT B

Letter, dated May 29, 1986 from
Richard Ramirez to Fred Boling, Jr.
and accompanying memorandum dated May 28, 1986
concerning accounts payable system



May 29, 1986

Mr. Fred Boling, Jr.
Astroline
231 John Street
Reading, MA 01867

RE: Payables

Dear Fred,

Attached is a memorandum from Al Rozanski detailing the revised approach to payables. To summarize: We will hold and age payables here and only send up transmittals requiring quick action. We will separate all salary and personal reimbursements as well to ensure that no employee is unduly delayed a reimbursement.

Thank you for your help in working this out.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard P. Ramirez".

Richard P. Ramirez
General Manager

RPR/pzl

cc: Herb Sostek

Enclosure



INTEROFFICE MEMO

To: Richard
From: Al
Date: May 28, 1986
Subject: A/P PROCEDURES

The following is an outline of our new Accounts Payable procedure describing invoice processing. As invoices are received by the Business Department, they will be verified as usual and then sent on to the respective department heads for approval. Upon return to the Business Department, they will be coded and approved by myself. Invoices will then be forwarded to you for final approval. **ALL** invoices will be computer inputted with the appropriate net days due information. This process will enable us to generate a net due listing to appropriately age our payables. The invoices will then be sorted as follows:

1. **ALL** T & E, freelance compensation, employee reimbursements and any other priority payments will be pulled, "transmittalized" and sent directly to Reading for immediate processing.
2. **ALL** other invoices will be held in our open items file alphabetically until payment is needed.

As invoices become due, they will continue to be "transmittalized" as before by invoice type. **ALL** firm will appear separately, as will personal reimbursements and priority process items.

The forementioned procedures will enable us to not only age our payables more effectively, but also expedite month-end closes. We are striving to issue monthly financials during the week immediately following a month-end.

AR/snh

cc: Michael

ATTACHMENT C

Sample "Transmittals" sent to
Fred Boling, Jr. from Station WHCT-TV



OFFICE MEMO

Fred Bolling, Jr.
Richard P. Ramirez
6/29/88
EXPENSE ITEMS

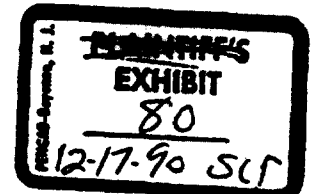
Returned
4/30*7/1
to
Hartford

There are a number of critical expense items which must be attended to. All items I will detail are beyond critical stages and require action by the morning of July 5th, that is, payments must be in the vendors' hands by July 5th in order to stay action. Note that I was able to delay the Whalers check (\$110,000) until June 30th. Therefore:

- ✓ X-mittal # 413 total: \$73,999.69 (includes
Insurance: \$6,496.60
Telephone: \$4,666.63
ITS Sales: \$14,804
Sports Productions: \$27,439.00
CT Light & Power: \$18,821.78
plus miscellaneous engineering supplies.
Note that telephone and electric utilities are under 2nd notice of suspension.)
- ✓ X-mittal # 412 total: \$9,688.57 (staples: Purolator, A T & T, sports production, engineering supplies.)
- ✓ X-mittal # 411 total: \$17,819.94 (Columbine, Insurance, building maintenance, office supplies, one syndicator)
- ✓ X-mittal # 410 total: \$6,984.85 Remains: (NET: \$5,300.94)
- ✓ X-mittal # 407 total: \$133,251.59 (Programming - must have:

Turner	\$ 2,000.00
MCA all 4/1/88 (5 items)	\$59,719.86
Paramounts	\$28,902.00
Republic - all:	\$1,226.00
- ✓ X-mittal 407A

Fox - all:	\$ 6,550
Viacom - all:	\$1,750.00
Warner - all:	\$12,909.73
Columbia - all:	\$20,069.00



These items total \$175,144.64. As of today, payroll and checks from Astroline total \$484,695.59, however, \$110,000 is to be posted to July therefore:

\$484,695.59
- 110,000.00 (Whalers)
\$374,695.59
199,670.02 (Collections as of 6/28)
\$175,025.57 (Net from Astroline)

These requests will obviously be posted to July.

Rich 

RPR/tcb

ATTACHMENT D

Authority for Deposit and Borrowing
completed on behalf of
Astroline Communications Company Limited Partnership
and executed by Fred J. Boling, Jr. as General Partner

ACTIONS:

- (1) The name of the secretary or clerk of the Corporation.
- (2) The registered name of the Corporation.
- (3) The State in which the Company is incorporated.
- (4) The date of the Board of Directors meeting.
- (5) The number of signers required on each check.
- (6) The titles of the individuals authorized to sign on the checking account.

- (7) The number of signers required to sign notes when borrowing.
- (8) The titles of individuals authorized to borrow.
- (9) A certification of all the officers and authorized signers by name and title.
- (10) Current date.
- (11) The signature of the clerk or secretary.

AUTHORITY FOR DEPOSIT AND BORROWING

I, ⁽¹⁾ Fred J. Boling, Jr.
Astroline Communications Company

A General Partner
Secretary/Clerk of
Limited Partnership
by unanimous written

organized under the laws of the State of ⁽³⁾ Massachusetts, do hereby certify that at ~~XXXXXX~~
consent of the General Partners of said Limited Partnership dated this ⁽⁴⁾ day of 1985.
~~XXXXXX~~
the following resolutions were unanimously adopted, are in conformity with the Charter and By-Laws of this corporation and are in full force and effect:

RESOLVED: That State Street Bank and Trust Company, Boston, Massachusetts, (hereinafter called the Bank), its successors or assigns, be and hereby is designated a depository of this corporation, and is authorized and directed to pay and to charge to the account of this ~~XXXXXX~~ ^{Limited Partnership} without limit as to amount and without inquiry as to circumstance of issue or disposition of the proceeds, even if drawn or endorsed to any signing or endorsing officer or other officer of this corporation or tendered in payment of the individual obligation of any such officer or for his credit or for deposit to his personal account, any and all checks, drafts, notes, bills of exchange, acceptances, or other orders for the payment of money upon the Bank, its successors or assigns, or payable at the office thereof and signed on behalf of this ~~XXXXXX~~ ^{Limited Partnership} by any ^(number) one of its following officers or authorized signers, to wit:

⁽⁶⁾ ^{Insert Titles Only} Herbert A. Sostek Joel A. Gibbs
Fred J. Boling, Jr. Richard H. Gibbs

RESOLVED: That any ⁽⁷⁾ ^{one} ^(number) of the following officers of this corporation, to wit:

⁽⁸⁾ ^{Insert Titles Only} Herbert A. Sostek Joel A. Gibbs
Fred J. Boling, Jr. Richard H. Gibbs

be and hereby are authorized from time to time to borrow from, or make arrangements for other extensions of credit by State Street Bank and Trust Company, Boston, Massachusetts, (hereinafter called the Bank), its successors or assigns, upon the credit of this ~~XXXXXX~~ ^{Limited Partnership}, such sums of money as he or they may deem expedient for the purposes of this corporation.

That said officers be further authorized:

To discount any bills or notes receivable or other paper held by this ~~XXXXXX~~ ^{Limited Partnership} and to endorse the same in the name of this ~~XXXXXX~~ ^{Limited Partnership}

As security for any loan, credit or other accommodation, to pledge, to the said Bank any or all of the property of this ~~XXXXXX~~ ^{Limited Partnership}

To withdraw, or to pledge, or to hypothecate, or to mortgage, or to otherwise dispose of, any or all of the property of this ~~XXXXXX ^{Limited Partnership}~~

To authorize the Bank, its successors or assigns, to execute, or to otherwise dispose of, any or all of the property of this ~~XXXXXX~~ ^{Limited Partnership}

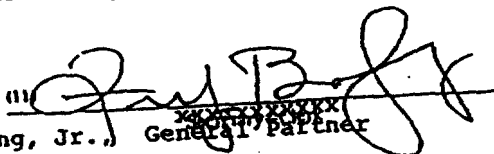
And in connection with any of the foregoing, to make, execute, and deliver in the name of this ~~XXXXXX~~ ^{Limited Partnership} transfers, endorsements, guarantees, agreements, trust receipts, instructions, obligations, or documents whatsoever in form satisfactory to State Street Bank and Trust Company its successors or assigns.

RESOLVED: That the ~~XXXXXX~~ ^{General Partner, Limited Partnership} of this ~~XXXXXX~~ ^{Limited Partnership} be and hereby is authorized to certify to State Street Bank and Trust Company, its successors or assigns, that these resolutions have been duly adopted and that they are in conformity with the ~~XXXXXX~~ ^{General Partner, Limited Partnership} of this ~~XXXXXX~~ ^{Limited Partnership} and that remain in full force and effect until notice in writing of revocation or modification signed by the ~~XXXXXX~~ ^{General Partner, Limited Partnership} of this corporation be delivered to said Bank.

I further certify that the present ~~XXXXXX~~ ^{General Partner, Limited Partnership} of this ~~XXXXXX~~ ^{Limited Partnership} is as follows:

NAME	TITLE
Herbert A. Sostek	General Partner
Fred J. Boling, Jr.	General Partner
Joel A. Gibbs	General Partner
Richard H. Gibbs	General Partner

IN WITNESS WHEREOF, I hereunto set my hand and the seal of said corporation this ⁽¹⁰⁾ day of 19

⁽¹¹⁾ 
Fred J. Boling, Jr., General Partner

ATTACHMENT E

Astroline Communications Company Limited Partnership Agreement
May 29, 1984

Excerpt (first page and Section 4.2)

ASTROLINE COMMUNICATIONS COMPANY LIMITED PARTNERSHIP
LIMITED PARTNERSHIP AGREEMENT
AND CERTIFICATE

This LIMITED PARTNERSHIP AGREEMENT AND CERTIFICATE, made as of May 29, 1984, by and among RICHARD P. RAMIREZ and WHCT MANAGEMENT, INC., a Massachusetts corporation, as General Partners and ASTROLINE COMPANY, a Massachusetts Limited Partnership, as Limited Partner,

WITNESSETH THAT:

WHEREAS, the parties desire to organize and operate a limited partnership business under the laws of the Commonwealth of Massachusetts, upon the terms and conditions recited herein;

NOW THEREFORE, it is hereby agreed as follows:

ARTICLE I

Defined Terms

The defined terms used in this Agreement shall have the meanings specified below:

"Affiliated Person" means any (i) General Partner, (ii) Limited Partner, (iii) the spouse or any lineal descendant of any original Partner, (iv) legal representative of any Person referred to in the preceding clauses (i) through (iii), (v) trustee of a trust for the benefit of any Person referred to in the preceding clauses (i) through (iii), (vi) corporation or other Entity of which a majority of the voting interest is owned by any one or more of the Persons referred to in the preceding clauses (i) through (v), or (vii) officer, director, employee or stockholder of a corporation referred to in the preceding clause (vi).